

Industry Alert from Hudson Cook: FTC Sends Ninety-Seven Warning Letters to Auto Dealers Regarding Deceptive Pricing

March 16, 2026 | [Patricia E.M. Covington](#) and [Thomas J. Buiteweg](#)

On March 13, 2026, the Federal Trade Commission announced that it is sending warning letters to ninety-seven auto dealerships throughout the nation. The letters state, "[t]his letter is to advise you that you may be advertising prices for cars that are lower than what you actually charge consumers." The letters encourage the dealership to review its advertising and pricing practices. The FTC instructs the recipients to evaluate advertised prices to ensure they match the actual prices charged to consumers. The advertised price must be the total price, inclusive of all mandatory fees that consumers will be required to pay.

The letters include examples of illegal pricing practices, including:

- advertising a price that does not reflect all required fees;
- advertising a price that reflects rebates or discounts not available to all consumers;
- advertising a price that fails to take into account the amount of additional required down payment;
- conditioning the advertised price on consumers using dealer financing;
- requiring consumers to buy additional items not reflected in the advertised price; and
- advertising unavailable or nonexistent vehicles.

The letters are not meant to represent conclusions regarding law violations. The FTC will continue to monitor the marketplace and will take additional action as warranted. The letters are part of the FTC's focus on price transparency across various industries, including rental housing, ticketing and hotels, grocery and delivery services, and auto sales and leasing.

RESOURCES:

You can review all of the relevant documents at the [FTC's Warning Letter Page](#).

- [Press Release](#)
- [Warning Letter Template](#)

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